

# House Amendment 8201

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1 1 Amend House File 2734 as follows:

1 2 #1. Page 55, by inserting after line 4 the

1 3 following:

1 4 <Sec. \_\_\_\_\_. Section 249H.4, subsection 1, Code

1 5 Supplement 2005, is amended to read as follows:

1 6 1. A senior living trust fund is created in the  
1 7 state treasury under the authority of the department  
1 8 of human services. Moneys received through  
1 9 intergovernmental agreements for the senior living  
1 10 program and moneys received from sources, including  
1 11 grants, contributions, and participant payments, shall  
1 12 be deposited in the fund. Additionally, proceeds  
1 13 derived from payment of taxes pursuant to section  
1 14 453A.6, subsection 1, paragraph "a", subparagraph (2);  
1 15 section 453A.6, subsection 1, paragraph "b",  
1 16 subparagraph (2); section 453A.43, subsection 1,  
1 17 paragraph "b"; and section 453A.43, subsection 2,  
1 18 paragraph "b", shall be credited to the fund.>

1 19 #2. Page 55, by inserting after line 19 the

1 20 following:

1 21 <Sec. \_\_\_\_\_. Section 453A.6, subsection 1, Code

1 22 2005, is amended to read as follows:

1 23 1. There is imposed, and shall be collected and  
1 24 paid to the department, the following taxes on all  
1 25 cigarettes used or otherwise disposed of in this state  
1 26 for any purpose whatsoever:

1 27 a. CLASS A.

1 28 (1) On cigarettes weighing not more than three  
1 29 pounds per thousand, ~~eighteen mills one and eight=~~  
1 30 tenths cents on each such cigarette.

1 31 (2) In addition to the tax imposed in subparagraph  
1 32 (1), on cigarettes weighing not more than three pounds  
1 33 per thousand, three and two=tenths cents on each  
1 34 cigarette.

1 35 b. CLASS B.

1 36 (1) On cigarettes weighing more than three pounds  
1 37 per thousand, ~~eighteen mills one and eight=tenths~~  
1 38 cents on each such cigarette.

1 39 (2) In addition to the tax imposed in subparagraph  
1 40 (1), on cigarettes weighing more than three pounds per  
1 41 thousand, three and two=tenths cents on each  
1 42 cigarette.

1 43 Sec. \_\_\_\_\_. Section 453A.35, Code 2005, is amended

1 44 to read as follows:

1 45 453A.35 TAX AND FEES PAID TO GENERAL FUND.

1 46 The proceeds derived from the sale of stamps and  
1 47 the payment of taxes, fees and penalties provided for  
1 48 under this chapter, and the permit fees received from  
1 49 all permits issued by the department, with the  
1 50 exception of the proceeds derived from payment of

2 1 taxes pursuant to section 453A.6, subsection 1,  
2 2 paragraph "a", subparagraph (2); section 453A.6,  
2 3 subsection 1, paragraph "b", subparagraph (2); section  
2 4 453A.43, subsection 1, paragraph "b"; and section  
2 5 453A.43, subsection 2, paragraph "b", which shall be  
2 6 credited to the senior living trust fund created in  
2 7 section 249H.4, shall be credited to the general fund

2 8 of the state. All permit fees provided for in this  
2 9 chapter and collected by cities in the issuance of  
2 10 permits granted by the cities shall be paid to the  
2 11 treasurer of the city where the permit is effective,  
2 12 or to another city officer as designated by the  
2 13 council, and credited to the general fund of the city.  
2 14 Permit fees so collected by counties shall be paid to  
2 15 the county treasurer.

2 16 Sec. \_\_\_\_\_. Section 453A.40, subsection 1, Code

2 17 2005, is amended to read as follows:

2 18 1. All of the following persons shall be subject  
2 19 to an inventory tax on the following items as provided  
2 20 in this section:

2 21 a. All persons required to be licensed obtain a  
2 22 permit under section 453A.13 as distributors or to be  
2 23 licensed under section 453A.44 as a distributor or  
2 24 subjobber, having in their possession and held for

2 25 resale on the effective date of an increase in the tax  
2 26 rate cigarettes, ~~or~~ little cigars, ~~or tobacco products~~  
2 27 upon which the tax under section 453A.6 or 453A.43 has  
2 28 been paid, unused cigarette tax stamps which have been  
2 29 paid for under section 453A.8, or unused metered  
2 30 imprints which have been paid for under section  
2 31 453A.12 shall be subject to an inventory tax on the  
~~2 32 items as provided in this section.~~

2 33 b. All consumers having for use or storage on the  
2 34 effective date of an increase in the tax rate, tobacco  
2 35 products upon which the tax under section 453A.43 has  
2 36 been paid.

2 37 c. All consumers subject to section 453A.46,  
2 38 subsection 6, who have acquired title to or possession  
2 39 of tobacco products for storage in this state, upon  
2 40 which tobacco products the tax imposed by section  
2 41 453A.43 has not been paid.

2 42 Sec. \_\_\_\_ Section 453A.43, subsections 1 and 2,  
2 43 Code 2005, are amended to read as follows:

2 44 1. a. A tax is imposed upon all tobacco products  
2 45 in this state and upon any person engaged in business  
2 46 as a distributor of tobacco products, at the rate of  
2 47 twenty-two percent of the wholesale sales price of the  
2 48 tobacco products, except little cigars as defined in  
2 49 section 453A.42.

2 50 b. In addition to the tax imposed under paragraph  
3 1 "a", a tax is imposed upon all tobacco products in  
3 2 this state and upon any person engaged in business as  
3 3 a distributor of tobacco products, at the rate of  
3 4 thirty-three percent of the wholesale sales price of  
3 5 the tobacco products, except little cigars as defined  
3 6 in section 453A.42.

3 7 c. Little cigars shall be subject to the same rate  
3 8 of tax imposed upon cigarettes in section 453A.6,  
3 9 payable at the time and in the manner provided in  
3 10 section 453A.6; and stamps shall be affixed as  
3 11 provided in division I of this chapter.

3 12 d. The ~~tax~~ taxes on tobacco products, excluding  
3 13 little cigars, shall be imposed at the time the  
3 14 distributor does any of the following:

3 15 ~~a-~~ (1) Brings, or causes to be brought, into this  
3 16 state from without the state tobacco products for  
3 17 sale.

3 18 ~~b-~~ (2) Makes, manufactures, or fabricates tobacco  
3 19 products in this state for sale in this state.

3 20 ~~c-~~ (3) Ships or transports tobacco products to  
3 21 retailers in this state, to be sold by those  
3 22 retailers.

3 23 2. a. A tax is imposed upon the use or storage by  
3 24 consumers of tobacco products in this state, and upon  
3 25 the consumers, at the rate of twenty-two percent of  
3 26 the cost of the tobacco products.

3 27 b. In addition to the tax imposed in paragraph  
3 28 "a", a tax is imposed upon the use or storage by  
3 29 consumers of tobacco products in this state, and upon  
3 30 the consumers, at a rate of thirty-three percent of  
3 31 the cost of the tobacco products.

3 32 c. The ~~tax~~ taxes imposed by this subsection shall  
3 33 not apply if the ~~tax~~ taxes imposed by subsection 1 on  
3 34 the tobacco products ~~has~~ have been paid.

3 35 d. This tax ~~The taxes~~ imposed under this  
3 36 subsection shall not apply to the use or storage of  
3 37 tobacco products in quantities of:

3 38 ~~a-~~ (1) Less than 25 cigars.

3 39 ~~b-~~ (2) Less than 10 oz. snuff or snuff powder.

3 40 ~~c-~~ (3) Less than 1 lb. smoking or chewing tobacco  
3 41 or other tobacco products not specifically mentioned  
3 42 herein, in the possession of any one consumer.>

3 43 #3. Page 56, by inserting after line 8 the  
3 44 following:

3 45 <Sec. \_\_\_\_ EFFECTIVE DATE. The sections of this  
3 46 division of this Act amending section 249H.4,  
3 47 subsection 1; section 453A.6, subsection 1; section  
3 48 453A.35; section 453A.40, subsection 1; and section  
3 49 453A.43, subsections 1 and 2, being deemed of  
3 50 immediate importance, take effect on the first day of  
4 1 the month that begins following enactment of this  
4 2 Act.>

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4 6 FOEGE of Linn  
4 7 HF 2734.301 81  
4 8 pf/cf/3525